Electronically Recorded

Official Public Records

Augenne Hindun

Tarrant County Texas

2008 Nov 24 09:23 AM

Fee: \$ 24.00

D208435745

Submitter: SIMPLIFILE

3 Pages

NOTICE OF CONFIDENTIALITY RIGHTS: A NATURAL PERSON MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

XTO REV PROD 88 (7-69) PAID UP (04/17/07)B

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this <u>20</u> day of <u>October</u>, 2008, between Bennie G. Barton, Jr. and Frances G. Barton, husband and wife, Lessor (whether one or more), whose address is: 7513 Royal Troon Drive, Fort Worth, Texas 76179 and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH: THIS AGREEMENT made this _

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant, State of Texas, and is described as follows:

BEING 0.383 acres of land, more or less out of the Dempsey C. Pace Survey A-1245, Lot 11, Block 1, The Highlands Addition Phase III, an Addition to the City of Fort Worth, Tarrant County, Texas, according to the plat thereof recorded in Volume A, Slide 4011, Plat Records, Tarrant County, Texas, and being more particularly described in a Corporate Warranty Deed With Vendor's Lien, dated February 26, 2002, From AmeriCorp, Inc. to Bennie G. Barton Jr. and Frances G. Barton, husband and wife and recorded in Volume 15509, Page 236, of the Deed Records, Tarrant County, Texas, and amendments thereof, including streets, easements and alleyways adjacent thereto, and any riparian rights.

SEE ATTACHED ADDENDUM FOR ADDITIONAL PROVISIONS

This is a non-developmental Oil & Gas Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said lands, or part thereof, with other lands to comprise an oil and/or gas development unit.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or to ask to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of upon said land with no cessation for more than ninety (90) consecutive days.

upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 1/4 part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average to bear 1/4 of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in Lessor on all other minerals mined and marketed or utilized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in Lessor on all other minerals mined and marketed by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in Lessor on all other minerals mined and marketed by Lessee from said land, one-tenth either in kind or value at the well or mine at Lesses or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of production of or good to gas, and all such wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred, but in the exercise of such diligence. Lessee shall not be obligated to install or fumish facilities and ordinary lease facilities of low lines after the expiration of the primary term, all such wells are shut-ining facilities and ordinary lease facilities of low lines after the expiration of the primary term, all such wells are shut-in for a pend of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period. Lessee shall pay or tender, by check or draft of before the end of each anniversary this lease is being continued in force solely by reason of the provisions of this para

4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease, with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage toterance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established at enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit effective as of the date provided for in said instrument or instruments but if said instrument or instruments may be exercised by Lessee at any land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established effective pooled or unitized. Any operations conducted upon said land included in the unit, or on other land unitized therewith. A unit established effectively pooled or unitized. Any operations conducted on any part of such unitized than the unit of proportion of said land included in the unit, or on other land unitized therewith. A unit established effectively pooled or unitized. Any operations conducted upon said land under this lease or unit operations, which the number of surface acres in such land (or in each such unit said proposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively royalty, operations conducted upon said land under this lease. There shall be elocated to the land covered by this lease with

such unit. Any unit formed may be amended, re-formed, reduced or enlarged by Lessee at its election at any time and from time to time after the original forming thereof by filing an appropriate instrument of record in the public office in which the pooled acreage is located. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If or shall be implied or result merely from the inclusion of rounitization of royalty interests as between any such separate tracts is intended pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral,
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement change or division in the ownership of said land or other moneys, or notice thereof of or to Lessee, its successors or assigns, not be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal certified copies of the instruments which have been properly filed for record and which evidence such change or division, supported by either originals or duly such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the acrosed by Lessor. The service of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor entire and undivided fee simple estate (whether Lessor's interest in the oil, gas, suphur, or other minerals in all or any part of said land than the moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest or not owned by Lessor's shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written. LESSOR/S BY: Bennie G. Barton, Jr. BY: Frances G. Barton STATE OF ____ _Texas___ } (ACKNOWLEDGMENT FOR INDIVIDUAL) COUNTY OF _Tarrant_ This instrument was acknowledged before me on the <u>20</u> day of <u>October</u>, 2008 by Bennie G. Barton, Jr. and Frances G. Barton, husband and wife. CHADLER C. CAMPBELL Notary Public, State of Texas My Commission Expires Notary Public
Chadler C. Campbell Signature _ August 28, 2011 Printed ____

My commission expires:

ADDENDUM

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED October 20., 2008, BETWEEN AS BENNIE G. BARTON, JR. AND FRANCES G. BARTON, LESSOR, AND XTO ENERGY INC., AS LESSEE, COVERING COUNTY, TEXAS.

THE PROVISIONS OF ADDENDUM SUPERSEDE COMPLETELY ANY PROVISIONS TO THE CONTRARY CONTAINED IN THE LEASE TO WHICH THIS ADDENDUM IS ATTACHED.

- Minerals Covered. Notwithstanding any other provision hereof, this lease covers only oil and gas. The term "oil and gas" means oil, gas, and other liquid and gaseous hydrocarbons and their constituent elements produced through a well bore.
- Gas Royalty. Lessor's royalty shall be calculated free and clear of costs and expenses for exploration, drilling, development and production, including, but not limited to, dehydration, storage, compression, separation by leased premises or prior to delivery into a pipeline or gathering system, whichever occurs first; provided, however, (a) therewith, and the royalties on oil and gas for operations conducted on the leased premises or lands pooled Lessor's royalty shall bear its proportionate share of all ad valorem taxes and production, severance and other taxes third party to transport, compress, stabilize, process or treat the oil, gas and other mineral production off the leased gas and other mineral production to a market.
- 17. Shut-in Royalty. If at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this Lease. A well that has been drilled but not fraced shall be deemed capable of producing in paying quantities. If for a period of ninety (90) pay shut-in royalty of twenty five dollars (\$25.00) per acre then covered by this Lease on or before the end of said 90 -- shut-in or production therefrom is not being sold by Lessee, then Lessee shall day period and thereafter on or before each anniversary of the end of said 90 -day period while the well or wells are maintained by operations, or if production is being sold by Lessee; provided, however, that if this Lease is otherwise being lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Notwithstanding anything to the contrary herein, it is expressly understood and agreed that shut-in royalty for more than one single period of up to two (2) consecutive years.
- 18. No Surface Operations. It is hereby agreed and understood that there shall be no drilling activities on the surface of the leased premises without the prior written permission from the surface owner of the applicable portion of the leased premises. Notwithstanding the foregoing, this waiver of surface shall not be construed as a waiver of the rights of explore for, develop and produce oil, gas and other covered minerals under this lease from wells from surface locations off the leased premises, including, but not limited to, directional or horizontal drilling activity which comes under the instruments other than this lease.
- 19. Vertical Pugh. Upon the expiration of the primary term of this Lease, upon the expiration of any extension or renewal of the primary term, or after cessation of operations as provided herein, whichever occurs last, this Lease shall terminate as to all rights lying below one hundred feet (100') below the stratigraphic equivalent of the deepest formation drilled.
- No Warranties. Lessor makes no warranty of any kind with respect to title to the Land. By acceptance of this Lease, Lessee acknowledges that it has been given every opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the Land, and Lessee assumes all risk of title failures. All warranties that might arise by excluded. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties (including or not owned by Lessor) shall be reduced proportionately. All royalty interest covered by this lease (whether assist Lessee to subordinate any rights of a mortgage holder to perfect the Lessee's rights under this lease; provided, nowever, any necessary subordination shall be obtained by Lessee at Lessee's sole expense. In the event Lessee is interest and other charges on the Land superior to this Lease, and in the event Lessee does so, Lessee will have the rights of the holder thereof.

Executed on the date first written above.

y and

By: Frances D. Rustre FRANCES G. BARTON